

Part B Insider (Multispecialty) Coding Alert

Physician Notes: Cystoscopy, Lesion Removal Codes See Drastic Increases

Will you be able to keep these new non-facility rates?

The 2005 [Physician Fee Schedule](#) includes surprising gains for some big-ticket procedures.

Thanks to new practice expense data, payments will rise dramatically for some procedures performed by cardiologists, radiologists, radiation oncologists and neurologists. The **Practice Expense Advisory Commission** received new data on office-based supply and equipment costs for some procedures that docs previously only performed in the hospital but now occasionally perform in their offices.

That means some codes will see huge increases in their non-facility amounts while facility-based amounts will change only slightly, says consultant **Marvin Berkowitz** with **BHC Consulting** in Needham Heights, MA.

For example, 52224 (Cystoscopy and treatment) will see its non-facility amount rise from \$181.84 to \$1,668.53, but its facility-based amount drops from \$181.84 to \$175.57.

Also, the non-facility rate for 50021 (Renal abscess, percut drain) will rise from \$187.73 to \$1,192.05, but its facility-based rate will only increase by 2 percent. And 49021 (Drain abdominal abscess) will see similar sharp discrepancies, says Berkowitz.

Roughly a thousand codes are affected to some extent, and hundreds of codes are seeing an increase of more than 70 percent in their non-facility payments, says Berkowitz. For many of these procedures, "it's not clear how often they're even done or doable in the office setting," he cautions. The higher payments may at least increase the possibility of performing them in an office setting.

1. **The Medicare Payment Advisory Commission must report by January** on whether Medicare should keep its requirement for physicians to provide referrals and a plan of care for outpatient physical therapy. The physician must review the POC every 30 days and re-evaluate patients who need longer term therapy.

The commissioners noted that patients needing PT often have complex health problems that need physician oversight, and the **HHS Office of Inspector General** has found many patients receive medically unnecessary PT.

The commissioners argued Medicare should educate physicians further to make sure they understand their responsibilities. Also, the program should collect more data on the types of patients who have the best outcomes with PT.

MedPAC also discussed physician-owned specialty hospitals, a topic it must address in a report due in March. Preliminary research shows that physician-owned facilities are more likely to transfer patients to other hospitals, but that the presence of a physician-owned cardiac hospital doesn't increase the number of cardiac procedures in that geographic area.